units—those making enough profits and in the top income brackets. In such cases the reduction of tax rates offsets the hardship, if any, caused to the publishers as a result of the withdrawal of this tax concession.

(e) No, Sir.

Closure of Empress Mills, Nagpur

2233. SHRI S. W. DHABE: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that the Empress Mills situated at Nagpur in Maharashtra State is facing closure;

(b) what is the number of workers employed there;

(c) what are the reasons for closure of this oldest mill in Vidarbha area of the Maharashtra State; and

(d) what steps Government are taking to prevent the closure of this mill?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN): (a) to (c) As per the information available with the Government the management of Empress Mills had put-up a notice declaring its intention to close the mill from 5.5.1986 on account of alleged heavy losses. The average daily employment in the mill is reported to be 5465.

(d) As envisaged in the New Textile Policy, Government has set-up a Nodal Agency to evolve and manage rehabilitation packages in respect of sick textile mills which are potentially viable.

Proceeds of Income Tax

2234. SHRI CHITTA BASU: Will the Minister of FINANCE be pleased to state:

(a) whether there is any proposal under Government's consideration to hand over the entire proceeds of the Income Tax to the States; and

(b) if so, whether this proposal has since been referred to the Sarkaria Commission?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) No, Sir.

(b) Does not arise.

Share of Income Tax to States

2235. SHRI CHITTA BASU: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that States are getting less than their dues from income-tax proceeds for the past few years;

(b) whether Government's attention has since been drawn to the Study made by Dr. Hem Latha Rao in this respect; and

(c) if so, what is the Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) No, Sir.

(b) Yes, Sir.

(c) The payments to States of their share of income tax is governed by the relevant provisions of the Constitution and also the recommendations of the Finance Commission. The initial payment in a year is based on the revised estimates of collections, cost of collections etc. of that year. The final payment is made on the basis of the figures of net proceeds certified by the Comptroller and Auditor General of India. According to the figures certified by the Comptroller and Auditor General, a recovery of Rs. 25.99 crores was made in 1980-81 relating to the years 1972-73 to 1976-77. In 1981-82 a recovery of Rs. 52.41 crores was made relating to year 1977-78.